

## Message Text

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17

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CIAE-00 DODE-00 DOTE-00 FMC-01

INR-07 NSAE-00 CG-00 OFA-01 DLOS-03 PA-01 USIA-06

PRS-01 SP-02 L-02 /038 W

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R 131945Z MAR 75

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 3085

INFO AMEMBASSY BOGOTA

AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY GUATEMALA

AMEMBASSY KINGSTON

AMEMBASSY MANAGUA

AMEMBASSY MEXICO CITY

AMEMBASSY PANAMA

AMEMBASSY PORT AU PRINCE

AMEMBASSY PORT OF SPAIN

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

AMEMBASSY TEGUCIGALPA

USDOC WASHDC

LIMITED OFFICIAL USE SANTO DOMINGO 1134

E.O. 11652: N/A

TAGS: EWWT, DR

SUBJECT: FORMATION OF REGIONALLY-OWNED CARIBBEAN SHIPPING COMPANY

REF: SD 5147 (NOTAL); SD 0410 (NOTAL); SD A-011, FEB. 6;

STATE 036438; STATE 036618

1. DURING RECENT CONVERSATION WITH FERNANDO PERICHE VIDAL, HEAD OF  
GODR EXPORT PROMOTION ENTITY (CEDOPEX) AND AUTHOR OF PROPOSED D.R.  
MARITIME LAW, EMBOFF INQUIRED ABOUT DR ATTITUDES TOWARD FORMATION  
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OF REGIONALLY-OWNED CARIBBEAN SHIPPING COMPANY. PERICHE RESPONDED

THAT A "COMMISSION" OF PROMOTERS OF THE IDEA IS SCHEDULED TO VISIT THE DR SOON TO EXPLAIN THE CONCEPT PRIOR TO THE SAN JOSE MEETING. THE GODR HAS NOT YET DECIDED IF IT WILL ATTEND THE SAN JOSE MEETING AND HAS NO OFFICIAL OPINION ON THE FORMATION OF A REGIONAL LINE. DOMINICANS ARE LISTENING AND WEIGHING.

2. PERICHE MENTIONED ONE POTENTIAL PROBLEM FOR DR WITH THE REGIONAL CONCEPT. REGIONAL LINE AS UNDERSTOOD NOW IMPLIES A STATE-OWNED PARTICIPATION. THRUST OF DR PROPOSED MARITIME LAW IS TO PROVIDE INCENTIVES FOR DEVELOPING DOMINICAN PRIVATE-SECTOR SHIPPING. PERICHE APPEARED TO SEE NO ADVANTAGE OF REGIONAL LINE FOR DR.

3. WHEN EMBOFF ASKED LOCAL SHIPPING AGENT ABOUT REGIONAL SHIPPING LINE, HE REPLIED THAT HE THOUGHT IT WAS MORE A POLITICAL THAN ECONOMIC

SUGGESTION OR, PERHAPS, A SCHEME TO CIRCUMVENT EACH OTHER'S RESERVE CARGO LEGISLATION. HE DID NOT SEE THAT COUNTRIES LIKE COLOMBIA, MEXICO, AND VENEZUELA, WITH DIFFERENT MARITIME INTERESTS, WOULD BE WILLING TO SACRIFICE NATIONAL PREROGATIVES TO A REGIONAL COMMERCIAL ORGANIZATION. HE ALSO THINKS MEXICANS HAVE BECOME UNHAPPY WITH VENEZUELAN AND COLOMBIAN EFFORTS TO "TAKE OVER" THE IDEA. AGENT FEELS THAT COMPETITION AMONG MEMBERS OF A REGIONAL SHIPPING COMPANY WOULD BE FIERCE. HE WONDERES WHAT BENEFITS WOULD ACCRUE TO SMALL COUNTRY MEMBERS SUCH AS DR, WHICH TRADES MOSTLY WITH US (INCLUDING PUERTO RICO) AND EUROPE. WOULD, FOR INSTANCE, THE BIG COUNTRIES BE WILLING TO SUBSIDIZE FREIGHT RATES FOR SMALLER, POORER COUNTRIES? AGENT OFFERED OPINION THAT SUCH A REGIONAL ORGANIZATION WOULD BE ALMOST UNMANAGEABLE ON ADJUSTMENT OF FREIGHT RATES AMONG MEMBER COUNTRIES. FINALLY, HE DOUBTS THAT LOCAL PRIVATE INTERESTS COULD GET TOGETHER ON A COMMON APPROACH TO REGIONAL ARRANGEMENT.  
HURWITCH

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE TRANSPORTATION, MARITIME LAW, STEAMSHIP LINES, JOINT VENTURES, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Image Path:**  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
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**Reference:** 75 SD 5147, 75 (NOTA SD 0410, 75 (NOTA SD A-011, 75 FE6  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 SEP 2003 by BoyleJA>; APPROVED <18 DEC 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FORMATION OF REGIONALLY-OWNED CARIBBEAN SHIPPING COMPANY  
**TAGS:** EWWT, ETRN, DR, US, (PERICHE VIDAL, FERNANDO)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006